

In the Matter of:

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WC Docket NO. 03-109

CC Docket No. 96-45

WC Docket No. 12-23

Dated: December 20, 2013

INTRODUCTION

The Vermont Department of Public Service (DPS) respectfully requests that the Federal Communications Commission (FCC) grant a permanent waiver to the rules requiring a copy of the Lifeline subscriber's certification and re-certification form be provided to the Eligible Telecommunications Carrier ("ETC") pursuant to 47 C.F.R. §§ 54.407(d), 54.410(b)(2)(ii), 54.401(c)(2)(ii), and 54.410(e). Waiver of the rules is vital to the continuation of the Vermont add-on Lifeline program and is in the best interests of Vermont consumers eligible for participation in this valuable program.

Currently, the Vermont Lifeline program, including the application process and the eligibility guidelines, are governed by 30 Vermont Statutes Annotated § 218. Vermont law in 30 V.S.A. § 218© also establishes a state financial add-on to the federal Lifeline program, which can increase the credit by more than 37% of the federal contribution and can make a significant difference to program enrollees.

Under the process set out in Vermont law, the two state agencies authorized to administer the programs and not the individual ETC's, make eligibility determinations. These state agencies are the Vermont Department of Children and Families (DCF) and the Vermont Department of Taxes (Tax). Certification notifications are disseminated by DCF and Tax to the ETC's, who in turn provide the Lifeline credits to the customers that the state has certified to be eligible. Without a waiver, in order to meet the terms of the Commission's reform order, Vermont would be required to make comprehensive changes to the existing Lifeline process, and this could jeopardize the additional support provided through the Vermont Lifeline program. Of importance to this request for a permanent waiver is the fact that DCF and Tax operate under state statutes that mandate formal privacy protection of individual information collected by each agency.

Below we provide an overview of the Vermont Lifeline certification process. DPS asserts that the continued use of the existing process meets the salient goals of ensuring that:

- ETC's seek reimbursement only for subscribers who have executed a certification form attesting to their compliance with the Lifeline program requirements and
- Subscribers are determined eligible through a verification process based on:
 - a) Participation in a qualifying benefit program that includes a threshold income requirement; or
 - b) Satisfaction of income requirements; and

- c) Residence in a household that is not currently receiving a Lifeline benefit.

The DPS believes the process described below meets the requirement of special circumstances that provide a proper basis for the granting of the permanent waiver.

Overview of the Vermont Lifeline Process and Basis for Request for Permanent Waiver Application and Eligibility

Currently, in Vermont, Lifeline benefits are available to any resident of Vermont who applies annually and:

- a) Who meets the means test of eligibility, which includes any individual participating in a qualifying public benefits program;
- b) Who is 65 years of age or older and has a modified adjusted gross income of less than 175 percent of the official poverty line as established by the federal Department of Health and Human Services for a family of two published; or
- c) Who is less than 65 years of age and has a modified adjusted gross income of less than 150 percent of the official poverty line as established by the federal Department of Health and Human Services for a family of two.

All Vermont Lifeline applications are submitted through one of two avenues: to DCF, for subscribers enrolled in a qualifying program, or to Tax, for all other subscribers. DCF and Tax certify applicant eligibility through verification of participation in one of the identified qualifying programs or based on annually reported income for the previous year.

When certification occurs through DCF, DCF staff reviews the application and verifies eligibility utilizing the current DCF database that tracks participation in any of the programs that allow for automatic participation in Lifeline. The DCF system contains the records of all Lifeline subscribers and eliminates the possibility for duplication of benefits. No less than twice a week, DCF provides a list of subscriber additions, deletions, or changes to the ETCs that enable the ETCs to identify the subscriber and make necessary changes to the individual accounts. The ETC is then required to provide a reply report to DCF which identifies all additions, deletions and changes to subscriber accounts. This process is repeated by both DCF and the ETCs on a quarterly and annual basis, allowing the verification process to be an ongoing practice.

When certification occurs through Tax, the process is identical to the one described above, with two additional step. Tax verifies the income of the applicant and then submits that information to DCF. All applications are retained by DCF.

During the course of the Vermont certification process, the information collected through the application process by both DCF and Tax is considered confidential information and current state law prohibits DCF and Tax from sharing this information with the ETCs.¹ In addition to the subscriber's confidential information, confidential information on others in the household, including the subscriber's spouse or civil union partner is also collected. All information collected by the two state agencies must be handled under strict confidentiality of guidelines to ensure security of information and to prevent any unnecessary or unauthorized transmittal of personal information, such as name, date of birth and social security number, which could be used to perpetuate fraud, among other crimes.

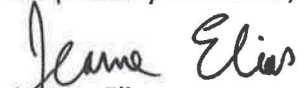
The public interest of Vermonters would best be served by a waiver of the Commission's rule. The waiver will allow the uninterrupted continuation of the current process in Vermont, which has been demonstrated over a number of years to be successful in providing this valuable telephone service to eligible subscribers, while eliminating fraud and duplication of service, and also allowing Vermont subscribers to continue to benefit from the state add-on program.

CONCLUSION

The Vermont Department of Public Service asserts that the Vermont process meets all of the objectives of the federal program. Based on the foregoing reasons we respectfully request that this waiver petition be granted. Vermont has implemented the Lifeline program in the state since 1985, ensuring a process that provides this valuable federal benefit to eligible subscribers, provides support in excess of the federal telephone service credit in the form of the Vermont add on, all while safeguarding against fraud and abuse of the program, the same principles the Commission seeks to achieve through the reform and modernization of Lifeline.

¹ 33 V.S.A. §111 for DCF and 32 V.S.A. §5901 for the Department of Taxes.

Respectfully submitted,



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